

**MINUTES OF THE
ECONOMIC DEVELOPMENT TASK FORCE**

Thursday, August 16, 2012 – 8:00 a.m. – Room 445 Capitol Building

Members Present:

Sen. Stuart C. Reid, Senate Chair
Rep. Brad R. Wilson, House Cochair
Sen. Patricia W. Jones
Sen. Ralph Okerlund
Rep. Jim Bird
Rep. Brad L. Dee
Rep. Brad G. Last
Rep. Patrice Arent
Rep. Rebecca Chavez Houck
Mr. Todd Bingham
Mr. Rob Despain
Mayor Tom Dolan
Mr. Spencer Eccles

Mr. Scott Hirschi
Mr. J. Steven Price
Mr. Wesley Smith

Members Absent:

Staff Present:

Mr. Robert H. Rees, Associate General Counsel
Mr. Benjamin N. Christensen, Policy Analyst
Mr. Nathan W. Brady, Policy Analyst
Ms. Jennifer Christopherson, Legislative Secretary

Note: A list of others present, a copy of related materials, and an audio recording of the meeting can be found at www.le.utah.gov.

1. Committee Business

Chair Wilson called the meeting to order at 8:06 a.m.

Mr. Price introduced himself as a member of the committee and spoke about his background.

MOTION: Sen. Jones moved to approve the minutes of the July 19, 2012 meeting. The motion passed unanimously with Rep. Arent, Rep. Chavez-Houck, Mr. Eccles, and Mr. Smith absent for the vote.

2. Keys to Utah Economic Development

Natalie Gochnour, Executive Vice President and Chief Economist, Salt Lake Chamber, said that Utah's economy is one of the best performing economies in the nation. She stated that there is no scenario where we succeed in the global economy that does not include a well funded and innovative educational system. Ms. Gochnour spoke about reforming Utah's tax system and the complexity of it.

Pamela S. Perlich, PhD Senior Research Economist, Bureau of Economic and Business Research, University of Utah, explained that we should embrace the fact that Utah is stepping onto the world stage. She distributed and discussed "The Economic Impacts of Utah's International Exports 2007-2010" and said that many of the institutions that we have now were built for a world that no longer exists. Ms. Perlich explained that, as economists, they talk about the market as a machine, but that everything comes down to relationships between people and the new ideas that diverse people bring.

Alan Westenskow, Vice President, Zions Bank Public Finance, gave the presentation "Economic Development Task Force" and discussed Utah's current competitive advantages including low cost electricity and the relatively low cost of living. He spoke about air quality and global trade as being issues that need to be addressed. Mr. Westenskow stated that the issue is always whether we are issuing too much or not enough debt to maintain our infrastructure. He explained that when Utah issues bonds, the largest portion is going toward education and transportation.

Suzie Becker, Vice President, Zions Bank Public Finance Municipal Consulting Group, continued the

presentation "Economic Development Task Force" and said that the stability and predictability of Utah's fiscal management has been a good decision for Utah. She discussed the economic challenges of build out cities versus cities with large amounts of vacant land and small cities versus large cities.

Ms. Gouchnor responded to questions from the committee stating that Utah stands as the sixth most economically diverse state in the country and that setting higher educational standards is central in our future economic health. She stated that our low air quality will require big change to improve and that it is a bruise on Utah.

Ms. Perlich responded to questions from the committee and said that output has increased faster than the labor industry which means that labor productivity is going up. She stated that we need to think about education as a life long endeavor rather than ending at the age of twenty-four and that the skill people need most is the ability to continue to learn as things continually change.

Mr. Westenskow responded to questions from the committee and explained that there are many infrastructure needs in Utah that are looming before us. He stated that Utah's low air quality is a big factor in our economy.

Darin Mellott, Senior Research Analyst, CBRE Global Research and Consulting, explained that CBRE Global Research and Consulting was able to weather the recession through sound planning, sound management, and investment in infrastructure in strategic areas. He said that advanced economies such as Utah have more skilled jobs than there are skilled workers to fill them and that business partnerships with educational institutions would benefit both parties. Mr. Mellott responded to questions from the committee and stated that an educated workforce does not only mean a college degree but also technical skills.

Committee discussion followed.

4. Other Business / Adjourn

MOTION: Rep. Last moved to adjourn the meeting. The motion passed unanimously with Sen. Jones, Rep. Arent, Rep. Chavez-Houck, Mr. Eccles, and Mr. Smith absent for the vote.

Chair Wilson adjourned the meeting at 11:02 a.m.